



# State of Wisconsin

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STEPHEN R. MILLER  
CHIEF

October 15, 2005

## MEMORANDUM

**To:** Representative Ballweg

**From:** Joseph T. Kreye, Sr. Legislative Attorney, (608) 266-2263

**Subject:** Technical Memorandum to **2005 AB-726** (LRB 05-3550/1)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## MEMORANDUM

October 14, 2005

**TO:** Joe Kreye  
Legislative Reference Bureau

**FROM:** Paul Ziegler  
Department of Revenue

**SUBJECT:** Technical Memorandum on AB 726 - Refunds for motor vehicle fuel tax paid by certain entities

This legislation relates to gasoline and clear diesel fuel, and does not include alternate fuels (LPG and CNG). There are a number of municipally licensed vehicles that are operated on alternate fuels.

The bill would effectively exempt from fuel tax out-of-state school districts and their carriers that purchase fuel in this state and would allow the same exemption to municipal vehicles from other states. The author of this bill may consider specifying that the bill applies only to Wisconsin based municipal vehicles and to Wisconsin school districts, including persons who transport students to and from school activities pursuant to a contract with a Wisconsin school district.

The current legislation does not indicate an effective date, meaning that it will become effective the day after publication. A date 3 months after publication would be better to allow time to implement the necessary changes to forms and computer applications.

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. The Department of Revenue would incur one-time costs of \$24,000 to develop and revise computer applications. Other additional costs will be absorbed within the Department's budget. The bill does not provide funding for these costs.

If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<u>Chapter 20</u>	<u>Amount</u>
One-time	20.566(1) (u)	\$24,000

If you have any questions regarding this technical memorandum, please contact Jacek Cianciara, at 266 8133.

cc: Representative Ballweg